IN RE: NON-BINDING ARBITRATION PURSUANT TO THE FINAL SETTLEMENT STIPULATION, KANSAS V. NEBRASKA AND COLORADO

No. 126 Original, U.S. Supreme Court

DEPOSITION OF WILLEM SHCREUDER

Monday, March 2, 2009 9:01 a.m.

PURSUANT Agreement and the Federal Rules of Civil Procedure, the above-mentioned deposition was taken by the State of Nebraska at 1525 Sherman Street, 3rd Floor, Denver, Colorado before Carol Patterson, Professional Merit Reporter and Notary Public.

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Page 4 PROCEEDINGS 1 2 WILLEM SCHREUDER, having been first duly sworn, was examined and 3 testified as follows: 4 5 EXAMINATION BY MR. BLANKENAU: 6 7 Dr. Schreuder, just a little aside 0 8 before we get into the heart of the deposition, Pete 9 and I were talking last week and he mentioned that 10 you have a triple Ph.D. and were a professor and we speculated whether you would need to be referred to 11 as Professor Dr. Cubed. 12 13 Α I only have two Ph.D.s, not three. Oh, okay. So you are Dr. Squared. 14 0 15 You have been deposed before, have you 16 not? 17 Α I have. And in this deposition, as in those, if 18 you don't understand a question, please tell me that 19 20 you don't or ask me to rephrase. Very well. 21 Α 22 0 Thank you. 23 Can you explain first your familiarity with the Republican River Compact itself? 24 25 Α In the course of the construction of the

- 1 groundwater model, we reviewed the compact as sort of
- 2 the basis document from which all of the other
- 3 agreements arise, but I don't necessarily would put
- 4 myself out as an expert in the compact, per se.
- 5 Q Okay. Do you know how the original
- 6 virgin water supply in the compact was determined?
- 7 A In a general sense, yes.
- 8 Q Could you explain that, your
- 9 understanding.
- 10 A It was based on whatever the use of
- 11 groundwater at the time -- correction, the use of the
- 12 virgin water -- or the -- how the water was divided
- 13 between the states at the time.
- 14 Q And then are you familiar with how the
- 15 allocations were made at that time?
- 16 A Not in any detail, no.
- 17 Q With respect to Colorado's allocation
- 18 within the compact itself, would you agree that the
- 19 total Colorado allocation is the sum of all of the
- 20 sub-basin allocations?
- 21 A I think so.
- Q Let me then shift to more of your
- 23 contemporary participation with the impact.
- 24 Can you explain your history with the
- 25 compact accounting.

Page 6 1 Α Largely, my participation was in computing the groundwater component of the inputs 2 that becomes the compact accounting. 3 Are you familiar with the overall 4 compact accounting procedures? 5 6 Α In a general sense, yes. When you say "in a general sense," could 7 Q 8 you --9 Α I have reviewed the spreadsheets. Ι 10 don't, as a matter of course, operate those 11 spreadsheets. So your involvement is just related 12 strictly to the groundwater model itself? 13 14 Α For the most part, yes. And what is your understanding of the 15 0 16 purpose of the groundwater model? 17 I would say that it is used to quantify the impacts of wells on the streams. 18 19 Does that model produce an output result that can be verified to prove that it accurately 20 calculates the impact of stream flows? 21 Could you ask that question again? 22 Α 23 Q Sure. Does the model produce an output that 24 can be verified to demonstrate that it accurately 25

- 1 calculates the impacts of stream flow?
- 2 A The model, during the construction of
- 3 the model, was calibrated to baseflows. So that was
- 4 a very long question, but I think the answer is yes,
- 5 because the model was calibrated to historical
- 6 baseflows and that served as a demonstration that the
- 7 model can reproduce baseflows.
- 8 Q So the proof would essentially be just
- 9 the calibration when the model was adopted?
- 10 A Yes.
- 11 Q Can you explain to me the process of
- 12 calibration?
- 13 A In the generic sense or specifically as
- 14 it was applied?
- 15 Q In the gen- -- let's start with generic
- 16 first, I may need that.
- 17 A In the generic sense, the way that a
- 18 model is calibrated is that you select observations
- 19 that are generally referred to as targets. And you
- 20 operate the model and demonstrate -- or adjust the
- 21 parameters until you can demonstrate that the model
- 22 can, to a reasonable degree of accuracy, reproduce
- 23 those observations.
- 24 Q And specifically, with regard to this
- 25 model, what was the calibration period?

- 1 A The model was calibrated by performing a
- 2 steady-state simulation, to generate initial
- 3 conditions, and then in a transient sense, from 1918
- 4 until 2000, and compare to observations which
- 5 generally spans the period for water levels from
- 6 about 1918 to 2000 and for stream flows from
- 7 approximately 1940 to 2000.
- 8 Q So that would have covered a period when
- 9 there was very little groundwater development in this
- 10 basin; is that correct?
- 11 A Yes. Prior to 1940, there was very
- 12 little groundwater development in this basin.
- 13 Q When development of groundwater began in
- 14 this basin, did it occur in any geographic specific
- 15 areas or in any specific times?
- 16 A Could --
- 17 Q Sure.
- 18 As groundwater wells developed in this
- 19 basin, were they concentrated in any particular area?
- 20 A There is certainly a great deal of
- 21 variability in the density of where wells were
- 22 developed, so I'm struggling a little bit with the
- 23 way that you phrased "the area." There are certain
- 24 areas where there was a lot more well development
- 25 than in others. I'm not sure what you --

Page 9 I think that answers it. 1 0 2 When those wells were developed, when did most of that development occur? 3 Well, it varied spatially, but a lot of it occurred in the late '50s, '60s and '70s. 5 6 Did it occur generally at the same time for all three states? 7 Sort of in a very generic sense, yes; Д but there was, like for example, in Nebraska well

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- 9
- development continued well beyond, for example, when 10
- well development stopped in Colorado, just as an 11
- 12 example. So, yes and no.
- 13 Okay. Let's go back to the calibration
- a little bit. 14
- Specifically, then, how was the 15
- calibration done for those years prior to well 16
- 17 development?
- 18 Α There really weren't very many targets
- for that period, so the way that the calibration was 19
- performed is to look at the transient response of the 20
- model in primarily the period from, you know, the 21
- late '50s, onwards. And based on the stream flows 22
- and water level behavior in that latter period, 23
- parameters such as, for example, during the 24
- steady-state, the 75 percent reduction factor was 25

Page 10 arrived at. 1 2 Q 75 percent reduction factor? 3 Α That applies to the steady-state. How did the calibration then change, 4 0 once wells began to be developed in the states? 5 Α I'm not sure what you mean by, how did 6 7 it change. Did it change? 8 Α The parameters that were adjusted apply 9 -- are things like hydraulic conductivities that 10 applies to the entire period. So there isn't a 11 different hydrology conductivity for the latter 12 period versus the earlier period, for example. 13 I assume that you had more data with Q 14 15 which to calibrate to in the later period? 16 Α Yes. As development occurred in the basin, 0 17 did Colorado develop prior to Nebraska and Kansas? 18 The rates of growth in the states are 19 Α different, at different times. I don't recall to 20 what extent Colorado's reached higher percentages of 21 22 present-day development than did Nebraska and

Can you tell us the relative rates of

Colorado -- and Kansas.

growth in each of the three states.

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- 1 A It has been a while since I looked at
- 2 that, I don't recall. There was a graph somewhere
- 3 that -- that showed that, but I don't recall
- 4 quantitatively what that is at this time.
- 5 Q As the model functions today, does it
- 6 accurately determine the reduction in baseflow caused
- 7 by wells?
- 8 A Boy, "accurately" is a really loaded
- 9 word.
- 10 Q You tell me what you think accurately
- 11 means before you answer the question. How about
- 12 that?
- 13 A I think that the model has been
- 14 demonstrated to be a reasonable approximation of the
- 15 historically observed reduction in baseflows.
- 16 Q "A reasonable approximation," that is
- 17 kind of a loaded phrase which, in my mind, applies
- 18 some margin of error; would that be correct?
- 19 A Yes.
- Q Do you have any sense for what the
- 21 margin of error would be?
- 22 A It's probably not the same on all -- at
- 23 all of the locations at which it predicts baseflow;
- 24 but I don't have, off the top of my head, a
- 25 quantitative description of exactly what that is.

Page 12 1 Q Do you have a sense for which locations are more accurate than others? 2 In a general sense, yes. 3 Α Which locations within the model are most accurate? 5 Α You would have to review the calibration 6 hydrographs, and those would indicate the relative 7 ability of the model to reproduce the changes in the 8 baseflows. 9 But you don't know, today, which areas 10 11 are most accurate? Without having them in front of me, it 12 Α would be hard for me to enumerate exactly which ones. 13 Okay. Does the model predict more 14 0 15 accurately for certain states than the other two -or a certain state than the other two? 16 I -- I don't think so, no. 17 18 0 Okay. 19 Is the Republican River Compact 20 Administration, the engineering committee, or State of Colorado doing anything to improve the accuracy --21 the predictive accuracy of the model? 22 Object to the form as it's MR. AMPE: 23

questions there, but you can answer if you can.

You are asking three different

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rather complex.

- 1 Q (BY MR. BLANKENAU) If you understand
- the question, you can. If you don't, that's fine.
- A You are asking at this time or you are
- 4 asking --
- 5 Q At this time, correct. If you would
- 6 like, I can break down the question a little bit.
- 7 A If you could.
- 8 Q At this time is the Republican River
- 9 Compact Administration undertaking any program or
- 10 action to improve the accuracy of the model?
- 11 A I don't know of any pending action
- 12 before the RRCA specifically geared at improving the
- 13 accuracy of the model.
- 14 Q Is the State of Colorado engaging you to
- 15 conduct -- strike that.
- 16 Is the State of Colorado having you
- 17 undertake any work that would help improve the
- 18 predictive accuracy of the model?
- 19 A As part of the ongoing review and
- 20 application of the model, I have looked at specific
- 21 factors in the application of the model that could
- 22 potentially lead to more accurate predictions.
- 23 Q What have you looked at?
- 24 A I'm not sure that I could enumerate all
- of them, but one example would be the refinement of

- 1 the saturated thickness distribution in the model for
- 2 predictive applications extending beyond -- well
- 3 beyond the current timeframe.
- 4 Q Would using data collected after 2000 to
- 5 continue the calibration process improve the accuracy
- 6 of the model?
- 7 A Could you just ask that question again,
- 8 please.
- 9 Q Sure. I will rephrase it a little.
- 10 As I understood your testimony earlier,
- 11 the calibration of the model ended with 2000 data; is
- 12 that correct?
- 13 A That is correct.
- 14 Q Would not the accuracy of the model be
- improved if calibration were a continuing process
- 16 that utilized data post-2000?
- 17 A I suspect that it's under the
- 18 prerogative of the RRCA if they were to decide to
- 19 perform a recalibration of the model, that that is
- 20 something that could be done, using more recent data.
- 21 This specific activity that I was
- 22 describing, though, is not a recalibration effort.
- 23 Q But would doing a recalibration effort
- 24 improve the accuracy?
- A As an academic exercise, that is

- 1 certainly a possibility, but not necessarily.
- Q Why wouldn't it be true?
- 3 A It may well be that the model is -- the
- 4 model parameters are as good as you are going to get
- 5 them.
- 7 that.
- 8 You have indicated that the model
- 9 accurately predicts baseflow depletions in some areas
- 10 better than in others. Did I understand that
- 11 correctly?
- 12 A Yeah. I probably used different words
- 13 and different qualifiers, but, as a general matter,
- 14 the accuracy would be different in certain locations
- 15 than they are in others.
- 16 Q Why would it be more accurate in some
- 17 locations than in others?
- 18 A To some extent, it's simply a lack of
- 19 data in some areas that gives less certainty in
- 20 certain areas than in others.
- 21 Q Are you familiar with how the model
- 22 output data is used within the accounting process?
- 23 A As a general matter, yes.
- Q Could you describe that for me, please.
- 25 A In the accounting spreadsheet there is a

- 1 tab where the model outputs are incorporated. That
- 2 tab represents, on a sub-basin basis, the impact
- 3 predicted on the streams from well pumping on a
- 4 state-by-state basis, as well as an estimate of the
- 5 impact of the lower water supply and those terms are
- 6 then propagated throughout the accounting spreadsheet
- 7 to set the estimate of -- or in the calculation of
- 8 the groundwater CBCU calculation.
- 9 The spreadsheets are then basically the
- 10 calculations of computed water supply, virgin water
- 11 supply and allocations that are used to determine
- 12 compliance with the compact.
- 13 Q Could you describe the model runs that
- 14 are used for compact accounting purposes?
- 15 A The Final Settlement Stipulation,
- 16 Appendix C, spells out that there should be five
- 17 model simulations. One simulation is referred to as
- 18 the base case, or I like to call it the historical
- 19 case, which represents the conditions that actually
- 20 occurred.
- 21 Then there are --
- 22 Q Excuse me, let me just interrupt.
- 23 By "conditions that actually
- 24 occurred," can you tell me what that is?
- 25 A In the model it is representative of the

- 1 actions that have -- has occurred in the timeframe
- 2 addressed by the model.
- 3 Q And by "actions," what do you mean?
- 4 A Well pumping did occur, the surface
- 5 water imports did occur.
- 6 Q Okay.
- 7 A Then there are three simulations that
- 8 are referred to as the No State Pumping simulations
- 9 and each of those simulations, well pumping within a
- 10 particular state is switched off. And the fifth run
- is a simulation where what is referred to as the
- 12 mound area, surface water returns flows from imported
- 13 water is switched off.
- In -- yeah, that was the question,
- 15 wasn't it?
- 16 Q Yes.
- 17 A What the runs were?
- 18 Q Yes. Do you have the report you
- 19 prepared in this matter entitled "Estimating Computed
- 20 Beneficial Consumptive Use for Groundwater and
- 21 Imported Water Supply under the Republican River
- 22 Compact, "Ahfed [sic], et al., a Report in Response
- 23 to?
- 24 A You are talking about my report, right?
- 25 Q Yes, your report.

- 1 A Yes, I do.
- 2 MR. BLANKENAU: Can we go off the record
- 3 for just a moment.
- 4 (Discussion off the record.)
- 5 Q (BY MR. BLANKENAU) Dr. Schreuder, I
- 6 would turn your attention, then, to your report at
- 7 page 1, third paragraph -- let me see if I'm in the
- 8 right spot here.
- 9 Yes. The third paragraph you indicate
- 10 that it is incorrect that there is a single problem
- 11 to be solved here.
- 12 What other problems exist within the
- 13 model or the accounting?
- 14 A The Ahlfeld, et al., report identifies
- 15 what it calls a "problem." In effect, what was
- 16 observed is the result of several different
- 17 mechanisms, not all of which are necessarily a
- 18 problem in the sense of an error.
- 19 So the first sentence in paragraph 3
- 20 simply restates the terminology of the Ahlfeld
- 21 report, adds to that that the conclusions are
- 22 incorrect and does not endorse the view that there is
- 23 a problem.
- Q Are there errors? Is there more than a
- 25 single error?

- 1 A Well, I'm not sure that I am willing to
- 2 agree that there is a single error in the model.
- 3 Q Well, what are the other errors?
- 4 A I'm sorry --
- 5 Q I'm sorry, I understood you to say that
- 6 you would not agree that there is a single error with
- 7 the model, which implies there is more than one.
- 8 What would be the other errors?
- 9 A No, I'm not even agreeing to the fact
- 10 that is a single error. There may be no errors or
- 11 problems at all.
- 12 Q Okay. So your report where you state
- 13 "as if there is a single problem and a single
- 14 solution, " and you state, "This is incorrect, " would
- 15 be incorrect?
- 16 A The fact that the Ahlfeld report says
- 17 that there is a problem and a solution is incorrect.
- 18 Q Also on page 1, if I can find it, in the
- 19 numbered paragraph number 1 --
- 20 A Uh-huh.
- 21 Q -- you say that the magnitude of this
- 22 deficiency is overstated.
- 23 Are you saying that a -- that the
- 24 deficiency Nebraska complains of is so small it's not
- 25 worthy of correction?

- 1 A I would say that the magnitude of the
- 2 difference that was used as a demonstration of a need
- 3 is no larger than it was at the time that the three
- 4 states agreed to the current procedure.
- 5 Q Were you aware of the deficiency that
- 6 Nebraska complains of at the time this procedure was
- 7 adopted by the three states?
- 8 A I have a little bit of a problem with
- 9 describing it as a deficiency.
- 10 Q I think that is what your report calls
- 11 it.
- 12 A It may well be. It's simply a
- 13 difference; but the three states were aware that the
- 14 procedure, as agreed to, would not some identically
- 15 to the total computed impact as proposed or as set as
- 16 the goal in the Nebraska report, the Ahlfeld report.
- 17 Q And the states understood that at the
- 18 sub-basin level?
- 19 A Yes, I believe so.
- 20 Q With whom from Nebraska did you believe
- 21 -- strike that.
- 22 Who working for Nebraska had that
- 23 understanding?
- 24 A I'm a little nervous at answering that
- 25 question due to the confidentiality agreement that we

- 1 have; but since you are working for Nebraska, I
- 2 presume it's within your prerogative to ask the
- 3 question.
- 4 MR. AMPE: Yes.
- 5 A I'm struggling to give you a specific
- 6 name because I don't have a clear recollection of the
- 7 exact discussion that took place and who said what.
- 8 Q (BY MR. BLANKENAU) But you do recall
- 9 that the problem of which Nebraska complains of in
- 10 the Ahlfeld report was discussed among the three
- 11 states at that time?
- 12 A I think so, yes.
- 13 O Who from Nebraska would have had that
- 14 discussion?
- 15 A The people that were on the committee.
- 16 O So Mike McDonald?
- 17 A Perhaps. Lee Wilson. Those would be
- 18 the two likely candidates.
- 19 Q Is there any documentation of that
- 20 discussion?
- 21 A I don't remember if that was ever
- 22 memorialized anywhere or not. I just don't have any
- 23 recollection of any specific document to address that
- 24 specific issue.
- 25 Q It's a relatively complex issue, is it

Page 22 1 not? 2 Α In what sense? Well, to, number one, discover it, you 3 0 have to do a lot of model runs to discover it, would 4 5 you not? 6 Α No. 7 How did you discover it? It's such a fundamental thing in Α 8 9 modeling; it's not something that you discover, you 10 just know it is so. The way it's handled in the accounting 11 12 process? 13 Α Yes. Let me take you to what you call an 14 important requirement at page 3 of your report, just 15 highlighted language. Would you read that for us out 16 loud. 17 The one that starts "The pumping impacts Α 18 19 assigned to the State cannot seek them out" --20 0 Yes. The highlighted paragraph, or the 21 Α highlighted sentence reads, "The pumping impacts 22 assigned to the State cannot exceed the amount of 23

additional baseflow that will be generated by

curtailment of all the wells in that State."

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- 1 Q And you call that an important
- 2 requirement. Where is that requirement found?
- A Are you asking where is it written down
- 4 in that particular phraseology?
- 5 Q Yes. You stated it is an important
- 6 requirement. I'm not aware that that requirement
- 7 exists within the compact itself and I'm curious
- 8 where it was required.
- 9 A I don't believe that it is specifically
- 10 spelled out in that sense in the compact.
- 11 Q Then where is the requirement?
- 12 A It's simple logic. If a state cannot be
- in compliance with a compact in the essence -- in the
- 14 absence of a particular action, then the compact
- 15 prohibits that action. And since this applies to the
- 16 development of groundwater resources, failure to
- 17 satisfy that requirement would mean that the compact
- 18 prohibits the development of that resource, which
- 19 logically makes no sense.
- Q Perhaps I'm not understanding what you
- 21 mean by your "requirement."
- 22 Can you explain that?
- 23 A If the way that a state is burdened
- 24 under the compact for a certain action exceeds the
- 25 benefit that could be derived by cessation of that

- 1 action, then there is a fundamental problem with how
- 2 that particular action is evaluated in a quantitative
- 3 sense.
- 4 Q Let me put this back to you in more lay
- 5 terms.
- 6 When I first read that sentence, I had a
- 7 certain understanding and I want to relate that
- 8 understanding to you and you can tell me whether I
- 9 understood what you were meaning or not.
- 10 Are you saying that a reduction in
- 11 baseflow that is calculated by the model cannot be
- 12 greater than the -- strike that. I am getting lost
- in my own question.
- I want to phrase this back to you, but
- 15 give me a moment to think about how I want to state
- 16 it.
- 17 Are you simply saying that a state
- 18 cannot be held responsible for baseflow reductions
- 19 than would, in fact, exist if there had been no wells
- 20 pumping at all?
- 21 A No.
- 22 Q Can you try to explain it to me again.
- 23 A I'm saying the exact opposite.
- 24 Q Okay.
- 25 A The state -- if you shut off the wells,

- 1 the state cannot be held responsible for more than
- 2 the -- the additional amount of baseflow that would
- 3 have occurred when the wells are shut off.
- 4 Q Can a state be held accountable for less
- 5 than would have occurred, had the wells been shut
- 6 off?
- 7 A I think what I'm saying is that what --
- 8 it is the intent that the state should be burdened
- 9 with an amount equal to that would -- that increase
- in baseflow that would occur if the wells are shut
- 11 off.
- 12 Q As calculated by the model?
- 13 A The model is, at this time, the only way
- 14 we have for quantifying that, yes.
- 15 Q Explain to me what you believe
- 16 Nebraska's concern is with regard to the Ahlfeld
- 17 report.
- 18 A There are a number of different issues
- 19 raised in the report and it isn't spelled out real
- 20 clear exactly what the concern is.
- I believe that, if I had to paraphrase
- it, it is presented as that the approved procedure
- 23 underestimates the virgin water supply and,
- 24 therefore, underestimates the allocation that is made
- 25 to the states.

- 1 However, there are a number of other
- 2 asides that are mentioned, such as, for example, the
- 3 imported water supply calculation.
- 4 Q You provided an independent solution to
- 5 the Nebraska problem, did you not?
- A I will not characterize it as such. I
- 7 simply provided a demonstration of -- that I would
- 8 say is an amplification of one of the issues
- 9 mentioned in the Nebraska report.
- 10 Q And you believe it addresses correctly
- 11 the Nebraska issues?
- 12 A It certainly tries to address some of
- 13 the issues that are mentioned.
- MR. BLANKENAU: Why don't we take a
- 15 brief break, if that is okay.
- MR. AMPE: Sure.
- 17 (Break was taken.)
- 18 Q (BY MR. BLANKENAU) Dr. Schreuder,
- 19 turning again to your report at page 21, you
- 20 complain that Nebraska, in illustrating its problem,
- 21 used a year of extreme drought.
- 22 Why is a year of extreme drought
- 23 objectionable?
- 24 A Well, in the first place, I wouldn't
- 25 phrase it as a complaint. I'm simply pointing it

- 1 out.
- 2 Just because this year was a very dry
- 3 year, it's a remarkable coincidence that that is the
- 4 year that Nebraska uses in all of its examples
- 5 because we would hope that it isn't a typical year of
- 6 what occurs in the future.
- 7 Q Is not dry-year accounting the most
- 8 critical aspect of the compact's functioning?
- 9 A I -- I don't know that it is.
- 10 Q So you would say that accurate
- 11 accounting is as important for state compliance in a
- 12 wet year as a dry year?
- 13 A As a general matter, yes.
- 14 Q You indicated before our break that you
- 15 believe that the problem that Nebraska now complains
- of was understood when the states agreed to the Final
- 17 Settlement; is that correct?
- 18 A Yes.
- 19 Q What other problems were discussed with
- 20 either the accounting or the model that you are aware
- of that were carried over and accepted?
- 22 A I have difficulty with your question in
- 23 the sense that you say what "problems," so there is
- 24 an implication there that there was something wrong
- 25 but we adopted it anyway.

Page 28 So I'm not sure how to answer the 1 2 question because --3 Let me change to a different question, 4 then. 5 Are you saying that there are no problems with the model and that it does, in fact, 6 accurately account for CBCU? 7 I certainly think it's a reasonable 8 representation -- or reasonable estimate of the 9 quantities required. 10 And you believe that the accounting 11 procedures, then, are also a reasonable estimate? 12 Are you trying to distinguish between 13 Α the estimates made by the model and accounting 14 somehow differently? 15 Yes, I am. 16 17 Α I couldn't quite --Yes. 18 Sorry, I have forgotten the question. 19 Α Are you saying, then, that the 20 0 accounting process is without any problems? 21 Again, I'm struggling with "problem." 22 Α The accounting procedures are whatever they are 23 because it was agreed to by the states as a 24 reasonable estimate of what is required under the 25

- 1 compact.
- 2 Q So, in your view, then, the accuracy of
- 3 the accounting is really irrelevant so long as the
- 4 states agree to it?
- 5 A I believe that if a demonstration could
- 6 be made that there was something in the accounting
- 7 procedures that is an outright error, that it would
- 8 be corrected; but, to my knowledge, no such
- 9 demonstration has been made.
- 10 Q What would be the magnitude of an
- 11 outright error that you believe would require
- 12 changing the accounting?
- 13 A I don't know that there is a requirement
- 14 that the error should be of a certain magnitude in
- 15 order to require a change to be made.
- 16 Q So if it were 10 acre-feet -- an error
- of 10 acre-feet, would that be adequate to change the
- 18 accounting?
- 19 A Again, I don't know that the magnitude
- 20 of the error is necessarily the determining factor
- 21 whether the RRCA would decide to make a change or
- 22 not.
- 23 Q So, in your view, the size of the error
- 24 is irrelevant to whether a change should be made; is
- 25 that correct?

- A I don't think that it's irrelevant; it's
- 2 -- I would say that it's not "the" determining
- 3 factor.
- 4 Q What would be "the" determining factor?
- 5 A I don't know that there is a single
- 6 determining factor.
- 7 Q Give me a couple of them.
- A I guess that would be under the
- 9 discretion of the RRCA and I don't know that I can
- 10 enumerate all of the factors that would go into
- 11 making such a decision.
- 12 Q Can you enumerate any of them?
- 13 A Well, certainly, I would think that it
- 14 would comprise of whether the procedure, as
- implemented, in fact, agrees with what the three
- 16 states agree to; and, if in the implementation of
- 17 that procedure, there is a deviation from what is
- 18 prescribed, that would certainly be a factor to
- 19 consider.
- In the case of the model update from
- 21 version 12P to 12S, it was demonstrated that there
- 22 was, in fact, a mistake in the way that the stream
- 23 package was implemented.
- So that would be an example of where the
- 25 physical reality on the ground differed from the

- 1 implementation.
- 2 Q Did that change benefit one state over
- 3 another?
- 4 A I don't recall.
- 5 Q Is it your understanding that the
- 6 accounting procedure is designed to accurately
- 7 account for the water of the basin?
- A Again, "accurately" is a loaded word,
- 9 but I would certainly agree that it is the goal of
- 10 the accounting procedure to account for the water in
- 11 the basin as accurately as can be.
- 12 Q And just so you are clear, you have
- 13 referred to "accurately" as a loaded word on several
- 14 -- twice, now. Can you explain what you mean by
- 15 that?
- 16 A It is the implication of the word
- 17 "accurately" that there is a quantity that can be
- 18 known with mathematical precision. And the
- 19 difficulty in this particular application is that we
- 20 can only estimate what those quantities are with the
- 21 best available technology; the true answer is
- 22 unknowable.
- 23 Q Earlier you testified that there were
- 24 errors within the model's computations -- and by
- 25 "errors," I mean a range of errors, a deviation from

- 1 what, in fact, you could know to mathematical
- 2 certainty and what the model actually calculates.
- 3 Do you have a sense for, again, the
- 4 range of errors?
- 5 A I'm struggling with what specifically
- 6 you are referring to.
- 7 Q Let me try to give you an example,
- 8 perhaps.
- 9 Say the model calculates stream flow
- 10 depletions to be 100 cfs, for 100 acre-feet. Is that
- 11 accurate to within 5 percent, 10 percent, 20 percent
- of reality, or do we have a sense at all?
- 13 A I don't know that I have a quantitative
- 14 answer to that question in the sense that I can give
- 15 you a percentage error in any -- in all of the
- 16 predictions of the model runs.
- 17 Q Would the proposed solution by Nebraska,
- 18 as explained in the Ahlfeld report, increase or
- 19 decrease the magnitude of any error that exists?
- 20 A As a general matter, I would think that
- 21 it tends to increase the uncertainty, or error, if
- 22 you wish, in the model predicted results.
- Q Why would that be?
- 24 A Because the application of the model
- 25 that is required for the method proposed in the

- 1 Ahlfeld report is further removed from the conditions
- 2 to which the model was calibrated and is required by
- 3 the current procedure.
- 4 O Doesn't it use the same conditions?
- 5 A No, it does not.
- 6 Q How does it differ?
- 7 A The procedure in the Ahlfeld report
- 8 gives what is, in effect, equal weight to a
- 9 pertubation of the historical condition and a
- 10 pertubation of the predevelopment condition.
- And by "predevelopment condition," I
- 12 mean the application of the model over all time as if
- 13 no well development or surface water imports have
- 14 ever occurred.
- 15 Q Doesn't that -- isn't that part of one
- of the existing model runs -- the all-off scenario?
- 17 A No.
- 18 Q Explain the all-off scenario to me, if
- 19 you would.
- 20 A In the Ahlfeld report, one of the
- 21 differences used is a scenario where it is assumed
- that no well development has ever occurred
- 23 historically, nor was there surface water imports.
- 24 And it concludes a difference between that scenario
- 25 and a scenario where the development either of wells

- or surface water imports occurred in only one state.
- 2 Q Explain to me, then, how the existing
- 3 model runs occur.
- 4 A The currently approved procedure states
- 5 that the model should be run under conditions that
- 6 have historically observed -- and we talked about
- 7 that earlier, what that means -- and a simulation
- 8 where it is assumed that well development or surface
- 9 water imports in only one state did not occur.
- 10 Q I'm having difficulty seeing the
- 11 distinction that you are making in the historical
- 12 calibration between the way the model is presently
- 13 run and that suggested by Ahlfeld.
- 14 A Is that a question?
- 15 Q It is. It isn't. It was intended to
- 16 be, but it isn't.
- 17 Can you explain further the distinction
- 18 between how the model calculations presently occur
- 19 and that proposed by Ahlfeld and why, then -- a
- 20 two-part question -- why, then, the Ahlfeld would not
- 21 result in greater accuracy?
- 22 A The currently approved procedure is a
- 23 pertubation from a known condition. The Ahlfeld
- 24 report requires a pertubation from an unknown
- 25 condition.

Page 35 Don't we now turn off all the states in 0 1 the mound, in the current procedures? 2 3 Α No. We don't, on any of those runs? 4 We turn them off one at a time. 5 Α Then what is the base condition that we 6 utilize? 7 Historical conditions. 8 А And at no time do we turn them all off? 9 0 Not in the procedure as it is currently Α 10 outlined. 11 Was the model calibrated to 12 predevelopment conditions? 13 14 Α No. Was it calibrated -- let me strike that. 15 Do you know how many wells there are in 16 Colorado in the Frenchman Creek basin, approximately? 17 I don't think I have ever tried to make 18 that calculation. 19 Do you know how many acres are irrigated 20 21 in that basin? I don't believe I have ever made that 22 calculation. 23 Do you know how much water is pumped in 24 that basin? 25

Page 36 А I don't believe I have ever made that 1 calculation. 2 MR. BLANKENAU: Could we break again? 3 MR. AMPE: Sure. 5 (Break was taken.) Q (BY MR. BLANKENAU) Dr. Schreuder, I 6 7 just have a few more questions for you. Did you run the model using the proposed 8 Nebraska solution in working through the accounting 9 10 to check any of it? Nebraska provided me with the model run, Α 11 so I did not need to rerun the model. 12 I have what I'm going to have marked as 13 Q I apologize it's all loose. 14 an exhibit. (Deposition Exhibit 1 was marked.) 15 (BY MR. BLANKENAU) Have you seen that Q 16 document before, Dr. Schreuder? 17 Can we go off the record and MR. AMPE: 18 make sure we all have the same pages in the same 19 20 order. (Discussion off the record.) 21 (BY MR. BLANKENAU) Dr. Schreuder, have 22 0 you seen that document previously? 23 It doesn't look familiar at all, no. 24 Α In preparing your responsive 25 Q Okay.

- 1 report to the Ahlfeld report, did you discuss the
- 2 Nebraska solution with anyone from Kansas?
- 3 A Yes, I recall a number of discussions
- 4 with representatives of both Nebraska and Kansas.
- 5 Q Did you have any conversations with
- 6 Kansas alone, without anybody from Nebraska present?
- 7 A Most likely, yes.
- 9 A Sorry, I didn't mean to shake my
- 10 head.
- 11 Q So your answer was yes?
- 12 A I believe so, yes.
- 13 Q Do you recall any of those specific
- 14 discussions?
- 15 A Not in particular, any detail, no.
- 16 Q With whom would you have discussed?
- 17 A Steve Larson, Sam Perkins, David
- 18 Barfield, George Austin, I don't remember -- probably
- 19 Dale Book, but I don't recall.
- MR. BLANKENAU: Okay, I don't think we
- 21 have anything further.
- MR. AMPE: Why don't we take a quick
- 23 break and come back.
- 24 (Break was taken.)
- 25 MR. AMPE: Let's go back on the record,

Page 38 I don't have much. 1 2 **EXAMINATION** BY MR. AMPE: 3 So, Doctor, is it possible to measure 4 the impact of wells upon stream flows to verify the 5 application of the model? 6 That's why we need the model in the Α 7 first place. If we could measure it, we would use 8 9 the measurements instead. And amongst your many degrees, do you 10 happen to possess a juris doctor? 11 12 Α Sadly, no. MR. AMPE: Let the record show the 13 sarcasm involved in that response. 14 (BY MR. AMPE) So, Doctor, would it be 15 fair to say in your discussions with counsel 16 regarding interpretation of the compact, that you 17 were speaking as a modeler and what you understood 18 as a modeler was required, rather than an 19 20 independent expert opinion? That is correct. Α 21 No further questions. MR. AMPE: 22 MR. SPEED: Kansas has no questions. 23

24

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anything.

MR. BLANKENAU: I don't think we have

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Page 39
                    MR. AMPE: Okay, great. Thank you.
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                    (WHEREUPON, the deposition concluded at
 2
     10:53 a.m.)
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1	I, WILLEM SCHREUDER, do hereby certify	
2	that I have read the foregoing transcript and that	
3	the same and accompanying correction sheets, if any,	
4	constitute a true and complete record of my	
5	testimony.	
6		
7		
8		
9	Deponent	
10		
11	() No changes () Amendments attached	
12	Subscribed and sworn to before me this	
13	day of,	
14	2009.	
15	My commission expires	
16		
17	Notary Public	
18		
19	CŢ	Ò
20		
21	REPUBLIC RIVER COMPACT ADMINISTRATION	
22		
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Page 41 STATE OF COLORADO) 1 REPORTER'S CERTIFICATE SS. 2 COUNTY OF DENVER) I, Carol Patterson, do hereby certify 3 that I am a Registered Merit Reporter and 4 5 Notary Public within the state of Colorado; that 6 previous to the commencement of the examination, the deponent was duly sworn by me to testify to the 7 8 truth. I further certify that this deposition was 9 taken in shorthand by me at the time and place 10 herein set forth and was thereafter reduced to 11 typewritten form, and that the foregoing constitutes 12 a true and correct transcript. 13 I further certify that I am not related to, 14 employed by, nor of counsel for any of the parties 15 or attorneys herein, nor otherwise interested in the 16 result of the within action. 17 In witness whereof, I have affixed my 18 signature this 3rd day of March, 2009. 19 20 21 PATTERSON REPORTING & VIDEO 22 Carol Patterson Registered Merit Reporter 23 and Notary Public 24 25

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Page 42
     PATTERSON REPORTING & VIDEO, INC.
1
    Highpoint
     2170 South Parker Road, Suite 263
2
     Denver, Colorado 80231
3
    March 3, 2009
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5
    PETER J. AMPE, ESQ.
     Office of the Attorney General
     First Assistant Attorney General
6
     1525 Sherman Street, 7th Floor
    Denver, Colorado 80203
7
     Caption: REPUBLIC RIVER COMPACT ADMINISTRATION
8
     Case No.:
               Supreme Court 126
    DEPOSITION OF: WILLEM SCHREUDER
9
    Dear Mr. Ampe:
10
     The deposition in the above-entitled matter is ready
11
      for reading and signing. Please attend to this
      matter by complying with ALL blanks checked below.
12
    XX arranging with us at (303) 696-7680 to read.
13
          and sign the deposition in our office.
14
          OR (if applicable),
15
     XX have deponent read your copy; signing attached
          original signature page and any amendments
16
          sheets.
17
          read enclosed deposition, sign attached
          signature page and any amendment sheets.
18
     XX by March 6, 2009, due to trial date of 3/9/09
19
     Please be sure that the signature page and
20
      accompanying amendment sheets, if any, are signed
     before a notary public and returned to our office at
21
      the above address.
22
     If this matter has not been taken care of within said
     period of time, the deposition will be filed unsigned
23
     pursuant to the Rules of Civil Procedure.
24
     Thank you.
     Enclosures: Don Blankenau, Esq.; Samuel Speed, Esq.
25
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1	PATTERSON REPORTING & VIDEO		
2	Highpoint 2170 South Parker Road, Suite 263 Denver, Colorado 80231		
3	Deliver, cororado dozar		
4	March 3, 2009		
5	Don Blankenau, Esq. Husch Blackwell Sanders LLP		
6	206 South 13th Street, Suite 1400 Lincoln, Nebrasja 68508		
7			
8	Caption: REPUBLIC RIVER COMPACT ADMINISTRATION		
9	Case No.: Supreme Court 126		
10	Enclosed is the deposition of: WILLEM SCHREUDER		
11	Previously filed. Forwarding signature page and amendment sheet(s).		
12 13	Signed, no changes.		
14	Signed, with changes, copy of which is enclosed.		
15	No signature required.		
16	Signature waived.		
17	_XX_Forwarding original transcript unsigned; signature page and/or amendments will be		
18	forwarded if received.		
19			
20	Original exhibits included in ongoing notebook and will be filed with counsel at conclusion of discovery.		
21			
22	Enclosures: (As above noted) cc: Peter J. Ampe, Esq; Samuel Speed, Esq.		
23			
24			
25			